SHRI YADLAPATI VENKATA RAO: Mr. Chairman, Sir, my question relates to the construction of effluent treatment plants in four industrial areas of Hyderabad city. The industrialization has created enormous problems of environmental pollution by generating variable quantity and quality of effluents. The drain carrying the mixed effluents flows along the agricultural fields and then they get polluted. May I know from the hon. Minister that whether the Government would sanction funds for the construction of effluent treatment plants in four major industrial areas of Hyderabad to save the mankind from health hazards?

SHRI T.R. BAALU: Yes, Sir we do have a programme for providing assistance to construct common effluent treatment plants. If the State Government, with a particular proponent or a group of proponents, proposes a project, we will examine and sanction it.

SHRI YADLAPATI VENKAT RAO: Sir, my next supplementary is: I would like to know from the hon. Minister about the status of the pollution effluent works and the National River Conservation Plan to clean up the rivers and lakes in and around Hyderabad during the current Plan period. When are these proposed to be taken up?

SHR T.R. BAALU: Sir, we have got the National River Conservation Plan. As far as Andhra Pradesh is concerned, we have already financed to construct five Sewage Treatment Plants (STPs). The sanctioned fund is about 242 lakhs, and, all the five STPs are under construction.

Loss to urea manufacturers by new pricing policy

*182. SHRIMATI JAMANA DEVI BARUPAL:
DR. T. SUBBARAMI REDDY:†

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are set to unveil its new pricing policy for urea, phosphatic, potassic and complex fertilizers aimed drastically reducing farm subsidies;

†The question was actually asked on the floor of the House by Dr. T. Subbarami Reddy.

(b) if so, the details thereof;

(c) whether several urea manufacturing units are set to lose over Rs. 620 crore annually from new urea pricing policy that has been framed by Government; and

(d) if so, to what extent this decision is likely to help in tightening norms for complex and other decontrolled fertilizers?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA): (a) to (d) A statement is laid on the Table of the House.

Statement

(a) and (b) The New Pricing Scheme (NPS) for urea units has been introduced w.e.f. 1.4.2003. Under the NPS, the urea units have been placed in six groups based on vintage and feedstock, for determining the group-based concession rates. These groups are: pre-1992 gas-based units, post-1992 gas-based units, pre-1992 naphtha-based units, post-1992 naphtha-based units, Fuel Oil/Low Sulphur Heavy Stock (FO/LSHS) based units and mixed energy based units. The group-based concession rates w.e.f. 1.4.2003 would be computed on the basis of the retention prices applicable as on 1.4.2002 duly updated for escalation/de-escalation in respect of feedstock, fuel, purchased power and water for the year 2002-03. The NPS will be implemented in stages. Stage-I would be of one year duration, from 1.4.2003 to 31.3.2004. Stage-II would be of two years duration from 1.4.2004 to 31.3.2006. The modalities of the subsequent stages would be decided after review of the implementation of the Scheme during the Stage-I and Stage-II.

A revised policy for determination of rates of concession for complex fertilizers has been implemented w.e.f. 1.4.2002 keeping in view the recommendations of the Tariff Commission. A revised policy for determination of concession rates for Di-ammonium Phosphate (DAP) is being worked out and in the meantime the payment of concession is being made on an *ad hoc* basis.

(c) and (d) As the NPS is aimed at greater transparency, uniformity and efficiency and also inducing the units to take cost

reduction measures on their own to be competitive, there will be savings in subsidy expenditure on urea.

Norms and parameters fixed under NPS for urea units will not affect concession payable for complex and other decontrolled fertilizers under the concession scheme as the two schemes are independent of each other.

MR. CHAIRMAN: Question No. 182. Dr. T. Subbarami Reddy. Man of the question is here.

SHRI MOTILAL VORA: Sir, he should also be awarded.

DR. T. SUBBARAMI REDDY: Mr. Chairman, Sir, in part (c) of my question, I wanted to know whether several urea manufacturing units are set to lose over Rs. 620 crore annually as a result of the New Urea Pricing Policy. Sir, the hon. Minister has not replied that part of the question at all. So, once again, I would like to know from the Minister as to what is going to happen if several urea manufacturing units are set to lose over Rs. 620 crores.

श्री सुखदेव सिंह ढिंडसा: सर, वह नई पॉलिसी जो बनी है उसके लिए तकरीबन सभी इकाइयों ने अपनी सहमति दे दी है और इस पॉलिसी को मान लिया है।

DR. T. SUBBARAMI REDDY: Sir, the hon. Minister must help the farmers, the manufacturing concerns and ensure that they are not closed down. Now, there is a strong feeling that due to this new policy, a number of urea manufacturing factories are likely to lose heavily and likely to be closed down. It is said that some factories have already been closed and some are likely to be closed. I would like to know from the hon. Minister as to how the Government is going to protect the interests of the workers working in these units. What is going to happen to this industry?

श्री सुखदेव सिंह ढिंडसा: सर, मैंने तो अपने जवाब में कहा है कि सभी ने अपनी सहमति दे दी है। दूसरा, यह है कि यहां पर पार्लियामेंट में भी बहुत बार यह मामला डिसकस हुआ और मीडिया में भी बहुत आया, जो पुरानी पॉलिसी 25 साल से चल रही थी, उससे गवर्नमेंट को बहुत ज्यादा नुकसान हो रहा था और इनएफीशिएंट जो यूनिट थे, उनको एफीशिएंट बनाने के लिए और जो हालात हैं, उनको देखते हुए यह नई पॉलिसी बनाई है। इससे गवर्नमेंट को फायदा जरूर होगा लेकिन एफिशिएंसी भी बढ़ेगी।

SHRI N.K. PREMACHANDRAN: Sir, the use of fertilizer alone has contributed 60 per cent increase in the agricultural production. Our country has attained this self-sufficiency in respect of food production only because of the increase in the producion of the fertilizers. It may be noted that 209 million metric tonnes was the food production during 2000-01 and the subsidy bill was only Rs. 13,000 crores. That means, for feeding 103 crores of people in our country, my humble question is—even as per the WTO Agreement, the developing countries can give 10 per cent subsidy for the agricultural production—whether the Government of India is proposing or thinking of enhancing the fertilizer subsidy in the light of decline in the food production during the year 2002-03.

श्री सुखदेव सिंह ढिंडसा: सर, अभी हाल में किसी भी फर्टिलाइज़र की कीमत बढ़ाई नहीं गई और फाइनैंस मिनिस्ट्री या एग्रीकल्चर मिनिस्ट्री ही इस बारे में कुछ करेंगी कि सब्सिडी और बढ़नी चाहिए या नहीं बढ़नी चाहिए और यह तो उसी वक्त फैसला होगा जब बजट आएगा। लेकिन अभी तक सब्सिडी कम नहीं की गई है हमने पिछले तीन साल से उतनी ही रखी है।

Shortfall in agricultural production

*183. DR. M.N. DAS:
DR. T. SUBBARAMI REDDY:†

Will the Minister of AGRICULTURE be pleased to state:

(a) whether foodgrain production during 2002-03 was the lowest in the past seven years;

(b) whether oilseeds output too was the lowest since the past 13 years;

(c) if so, the extent to which the shortage is likely to affect the country;

(d) whether the Ministry has assessed the total output of wheat, coarse grain, paddy and oilseeds for 2003-04;

(e) whether any contingency plan has been prepared to meet the shortage; and

†The question was actually asked on the floor of the House by Dr. T. Subbarami Reddy.